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NEWSLETTER

Some Bid Results

City of Tacoma

- | | | |
|----|---------------------|-----------|
| 1. | Balfour Beatty Rail | 1,699,400 |
| 2. | Railworks | 1,999,600 |

Railroad Line-Abbeville, LA

- | | | |
|----|------------------|---------|
| 1. | Railworks | 474,400 |
| 2. | Marta Track | 515,300 |
| 3. | CW&W Contractors | 579,600 |

South Hills Junction-Pittsburgh, PA

- | | | |
|----|---------------------|-----------|
| 1. | Railworks | 1,574,900 |
| 2. | Balfour Beatty Rail | 1,739,200 |

Track Rehab-Union City, PA

- | | | |
|----|-----------------------|-----------|
| 1. | G. W. Peoples | 2,080,300 |
| 2. | Delta Railroad Const. | 2,618,600 |
| 3. | Balfour Beatty Rail | 4,728,600 |

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Track Guy Consultants

We did our first trade show in Louisville, Kentucky at the AREMA/REMSA Convention. We had a great time visiting with people we have not seen in years and promoting our services to the industry. We received a number of opportunities and people were very interested in our Training Programs.

We just finished our 2006 Trackwork 101 tour. It was an outstanding trip starting right after Louisville with Pohl Corp in Reading, PA, then off to Washington DC to do a seminar for Clark Construction. We then went to Ft. Myers Florida to give a special class to the Seminole Gulf Railway. They have a wonderful dinner train with a murder mystery on board as well as moving freight and servicing customers. Then it was Atlanta, St. Louis and Houston for our standard Trackwork 101 class. While we were in Houston, Railworks asked us to speak to 47 of their people with a custom built seminar. Next, it was Los Angeles for 101 and we also presented to Metrolink while in LA. Next stop was Portland, and then while on our way to Denver, Utah Transit invited us to do a 2-day custom training program for them. We then did Denver and then back home where we had a great time giving our Trackwork 101 class. Along the way, we were asked to give quotations for further training classes throughout this glorious United States. My wife kept commenting on how much space there is. We had a little time for some side trips. We even stopped in Las Vegas for a couple shows and some slots. Next fall we are considering a Trackwork extravaganza, where we go to 3 cities and offer a 4-day training session in each. We will keep you posted. Track Guy Consultants is moving next month to Canonsburg, PA.



Spotlight: The Last Election

This last election was very interesting with the referendums for transportation that were on the ballot. Whether you are Democratic or Republican, the voters have spoken and passed 24 of the 33 Transit measures that were on this last ballot. This is great news for cities like Kansas City, Salt Lake City, Seattle and even Kalamazoo to mention a few. States like California, Arizona, New Jersey, Ohio, Texas, Utah and Washington are strong supporters for viable rail transportation. New York City has a plan to spend \$21 billion in the next 12 years to improve their public transportation system and make it much easier to transfer to different modes like we do with our freight intermodal facilities. Ever since Mayor Giuliani cleaned up New York City, the entire area has seen some tremendous growth.

Salt Lake City has passed Proposition 3 (by 64%) which adds a quarter-cent sales tax. This one-fourth of a penny will pump tens of millions of dollars each year into commuter rail and give the opportunity to finish projects by 2015 instead of 2030.

Some money is being raised by simply changing the law to allow legislators to move revenue from gasoline tax to transportation projects like was approved in California under proposition 1A. California will further put \$20b (Prop. 1B) into expansion and repair of transportation systems. Quality of life issues are the drivers in these debates.

Creative financing is the method we use for funding these projects. A few years ago President Bush declared that the Federal funding level will be dropped from 80-20 to 50-50 as mentioned



in our Summer Newsletter. Sales tax, property tax, surcharges, user fees, retail tax, gas tax, constitutional amendments and bond issues are some of the methods for creating money to fund transit projects. If you have any creative methods for raising money that are legal,

drop us an e-mail. What about a massive flee market or taping into lottery money? Or what about simply getting all the Politicians to support a new interstate transportation system like Eisenhower did in the 50's and 60' except this time make it Rail instead of Auto. Let's call it the Link to the Future. Let us remember that the Politicians work for us, not the other way around. So participate in Railroad Day on the Hill on March 14, 2007. This is what



Democracy and Freedom are all about. So come on into DC and let's visit with our elected officials and show them that we are tired of highway congestion and we want some action for both freight and passenger systems. Just like the NS's TV commercial on taking trucks off the highway. Great job NS!



Ask The Track Guy



This is where you, the reader get to ask questions about Railroad Track engineering, design, construction, maintenance or anything to do with Trackwork. Simply write or e-mail a question and we will answer in a timely manner. Some questions will be published here.

Are people riding trains?

The overwhelming answer is YES. The American Public Transportation Association (APTA) keeps us informed about this very question. Ridership is up, up and away in all cities and towns around this United States. San Jose is up 27% in the first half year of 2006, Minneapolis up 26%, Philadelphia up 18%, San Diego 17%, NJT 13%, Dallas 11% with many more above the 10% mark. There are 300,000,000 people in the US and the population keeps growing. By 2030 we may see a population of 400 million. Are the newly born kids today going to put up with the congestion when they get older? I think not. Even teenagers



and 20 something year olds are learning how to ride public transportation. It is hard to play Nintendo DS while driving on the Cross Bronx Expressway. Ridership on public transportation has increased at a minimum of 6% and as high as 27%

with an average of 11%. Decades ago we had visionaries predicting a society of mass congestion. Are we there yet? It wasn't to long ago that space travel was unheard of. My father still remembers a time when there were no airplanes. My own kids do not remember a time of no cell phones. This is very rapid growth and riding mass transit is no different. Technically the first LRT was not build until 1980. The battle between modes of transportation (air,water,train & auto) has been going on since they were each invented. A book called "Getting There" depicts these battles very well. The question is: Are we building to meet the needs of the next generation? This last election says yes. If given an alternative form of transportation that suite their needs, then the people will ride the system rather than sit in hours of traffic on the highways. It is happening now and if you are not yet prepared for the renaissance, then you may be left in the dust. There is a great article in the "Top 400 Contractors" of Engineering News Record entitled "It is the Best of times for well-managed firms". This says it all.

Does anybody look at the plans and specs before it goes out to bid?

This is an interesting question and one that I need to be careful with. One of the negatives to a booming market is the need to put out bids very quickly. The temptation to copy from others is prevalent. We are seeing the same drawings and specifications appear in different parts of the country, BUT with their own twist. The twist is the little tweaking that is done to make the documents more enhanced to fit the individual needs. The problem comes when inexperienced people are making these

decisions without knowing some of the lessons learned in the industry. I am not going to offer any details because some of these have lead to litigation or problems. All intensions seem to be good and not malicious but when cost cutting is the motivation, it can lead to a lot of money being spent later. The coined phrase of "pay me now or pay me later" is very appropriate to this issue. Being from the Contractor side, it was always impossible to just skim through a specification and think you know it. You will either leave a lot of money on the table or be embarrassed by your bid. Along with the rush, rush, rush attitude companies are having trouble acquiring and retaining employees. This is obviously putting more strain on the existing work force and will continue to lead to more mistakes. There is nothing wrong with copying but research must be done or the same mistakes will continue to be made. A great way to eliminate this problem is to do a peer review. By getting the experts together from all aspects of a project are a quick way to greatly reduce the chances for error and don't forget the construction guy. A constructability review is essential.

What is happening outside the US?

The world outside the US is booming at a rate of 10 times what we are in the transportation arena. The only difference is that almost all there projects deal with rail transportation and in particular, High Speed Rail. You name the country and they have plans. China has a \$54 billion plan for rail transportation. They are spending at a rate of \$10b per year. Soule, Korea is building an LRT system right now and one is just starting in Monterrey, Mexico. Bids have been received for Argentina's first High Speed line for \$1b. Australia is going crazy with billions of dollars being spent on rail transportation. Pakistan is building their first standard gage line of 580 miles for \$1.2b. Manchester, England will double their LRT system at a cost of £1.5 billion. That's got to be over \$2b in US dollars. Japan will build 10 LRT lines by 2016 (only 9 years from now). Even Dubai, the playground of the rich and famous just awarded a \$1.12b contract for the second line. A great source for international news is the International Railway Journal (www.railjournal.com).

This was given as an answer on a Geometry Test. Is it right or wrong?

6. Find x .

